

March 31 and April 1, 2009

34th Annual Aviation Forecast Conference

FEDERAL AVIATION ADMINISTRATION

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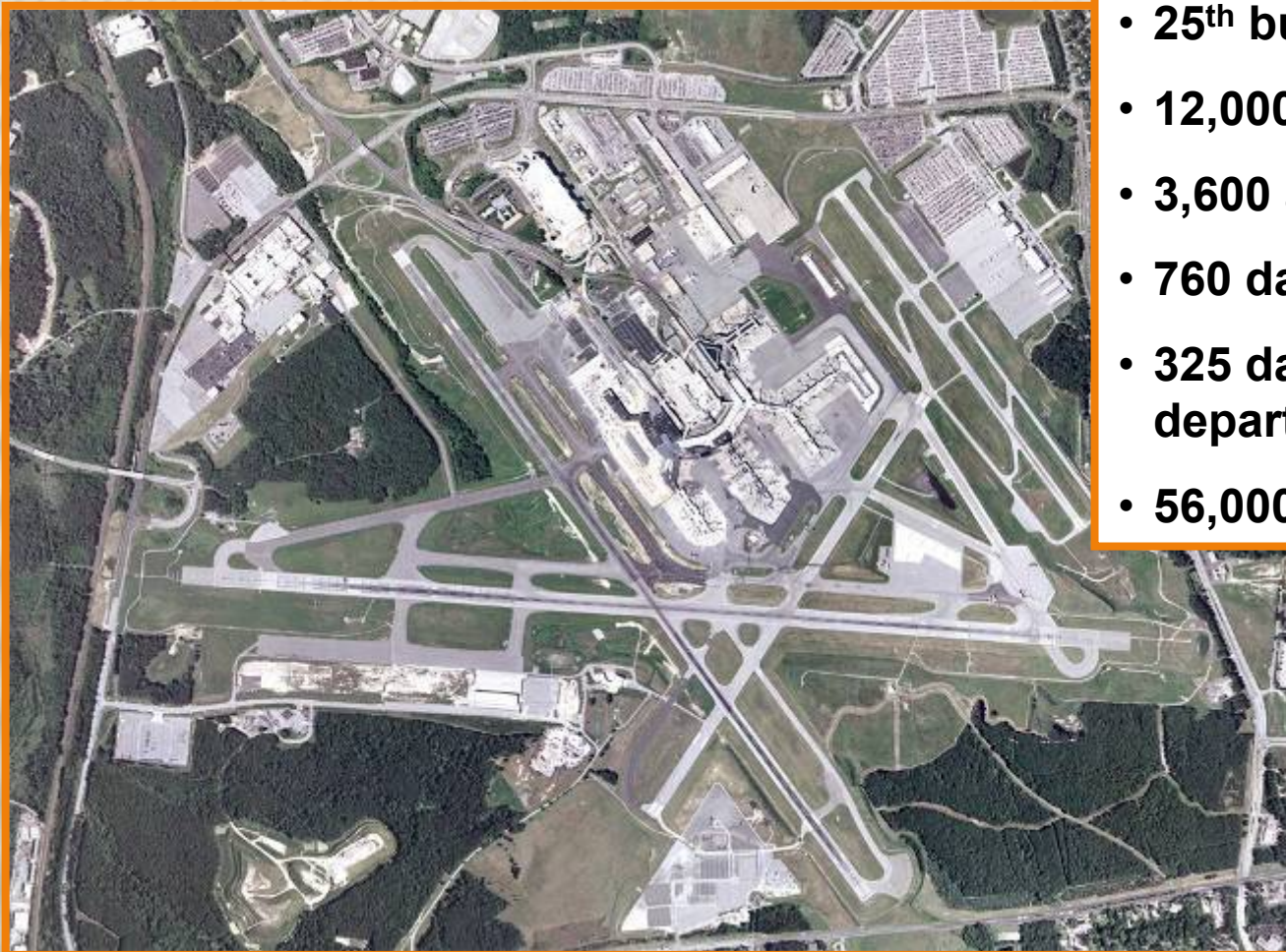
Confronting New Realities: Energy, Economics and Efficiency

Airport/Infrastructure – Airport Planning Issues



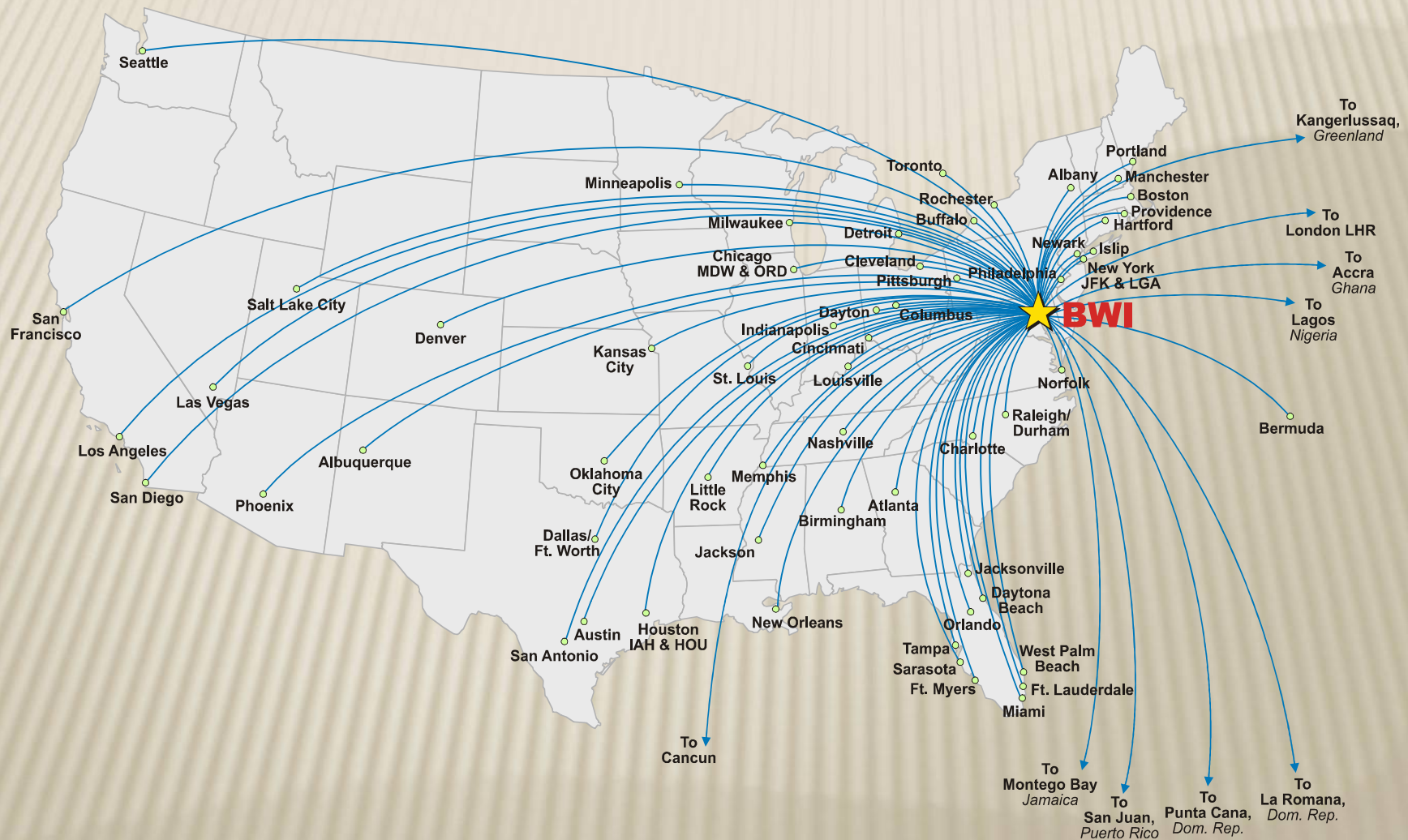
Airport/Infrastructure – Airport Planning Issues
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FAA 34th Aviation Forecast Conference
April 1, 2009 Slide 2

BWI MARSHALL PROFILE



- **25th busiest U.S. airport**
- **12,000 employees**
- **3,600 acres**
- **760 daily operations**
- **325 daily nonstop departures**
- **56,000 passengers per day**

BWI MARSHALL NON-STOP MARKETS



BWI MARSHALL ECONOMIC ENGINE

Direct Jobs	12,000
Induced Jobs	6,000
Indirect Jobs	5,000
<u>Visitor Generated Jobs</u>	<u>77,000</u>
Total Airport Generated Jobs	100,000

➤ Personal wages and salaries	\$3.2 B
➤ Business revenue	\$5.1 B
➤ State and local tax revenue	\$474 M
➤ Federal tax revenue	\$165 M

THE INDICATORS

- Worldwide
 - Volatile fuel prices
- National
 - Recessionary economy
 - Flight schedule reductions
- BWI Marshall
 - Passenger decrease
 - Forecasted enplanement reduction

THE MAA RESPONSE

➤ Change the Model

- Review revenue sources
- Identify profit/cost centers
- Complete cost/benefit

➤ Prioritize the Needs

- Tier 1 – Mandates
- Tier 2 – System Preservation, O&M
- Tier 3 – Best Practices, Innovation

THE MAA RESPONSE

Pursue “Other” Funding

Non-State & Federal AIP money sources –
PFC, bonds, public/private financing, ARRA

Historical	Future
<ol style="list-style-type: none">1. Rates for Airside2. Use Agreements for Terminal3. Debt Service for Landside	<ol style="list-style-type: none">1. Other Funding2. User Consultation3. Partnering

THE OUTCOME – 6 Year Capital Program

- Short-term program reduction
- “Shovel-ready” projects
- Cost containment
- Quarterly review of priorities

THE OUTCOME – **Monitoring**

- Expenditures by cost center
- Budget variance reporting
- “State Stat” reporting
- Profit and loss reporting
- Capital amortization

THE OUTCOME – **Continual Evaluation**

- Manage “scope” creep
- Validate cost estimates
 - Independent fee evaluation
 - Cost reconciliation
 - Master Planning
 - Design 30% - 60% - 100% reviews
 - Construction bid valuation
 - Contract leveraging

Airport/ Infrastructure – Airport Planning Issues

Thank you
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